

**James King**

**From:** Weller, Charles G. [CWeller@ReedSmith.com]  
**Sent:** 20 July 2007 16:44  
**To:** James King  
**Cc:** Enston, Matthew B.  
**Subject:** Mv "Apostolos II" - WITHOUT PREJUDICE

We refer to your email today which comprised the Charterers' counter-offer.

In the absence of a timely acceptance of ESTC's offer by TRC, we are instructed that ESTC are now suspending fixture negotiations with TRC. Please convey this to TRC.

Obviously ESTC shall need to discuss with TRC the arrangements for the refund of the late remitted funds and for a reconciliation of the accounting position. The best and most efficient way of resolving the differences between the parties should also be considered, together with the obviously related matters which will allow the parties to pick up the pieces with the minimum of fuss, anxiety, interruption and disturbance.

In the meantime, please note that we have today appointed Mr Alec Kazantzis as ESTC's arbitrator in respect of all disputes. Formal notice shall follow.

Regards

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